

1 **FEDERAL ELECTION COMMISSION**

2 **FIRST GENERAL COUNSEL'S REPORT**

3 **MUR: 7246**

4 DATE COMPLAINT FILED: May 8, 2017

5 DATE OF NOTIFICATION: May 19, 2017

6 LAST RESPONSE RECEIVED: July 18, 2017

7 DATE ACTIVATED: July 25, 2017

8

9 EARLIEST SOL: May 23, 2018

10 LATEST SOL: July 14, 2021

11 ELECTION CYCLE: 2014/2016

12

13 **COMPLAINANT:**

Lisa M. Ring

14

15 **RESPONDENTS:**

Earl Leroy "Buddy" Carter

Buddy Carter for Congress and Paul Kilgore in his
official capacity as treasurer

Friends of Buddy Carter for Senate

Millar for Senate

Loudermilk for Congress and Charles Nida in his
official capacity as treasurer

Loudermilk for State Senate

James Ronald Stephens

Committee to Re-Elect Ron Stephens

Jeff E. Mullis

Comm. to Elect Jeff Mullis Ga St. Sen.

Neal Florence

Friends of Neal Florence

David Simons

Simons and Associates, LLC

C. Ellis Black

Ellis Black for State Senate, Inc.

Bruce Lambert Broadrick, Sr.

Friends of Bruce Broadrick for the House

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36 **RELEVANT STATUTES**

37 **AND REGULATIONS:**

52 U.S.C. § 30122

52 U.S.C. § 30125(e)(1)

11 C.F.R. § 110.3(d)

11 C.F.R. § 110.4(b)

11 C.F.R. § 300.62

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43 **INTERNAL REPORTS CHECKED:**

Disclosure Reports

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45 **FEDERAL AGENCIES CHECKED:**

None

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1 **I. INTRODUCTION**

2 The Complaint alleges that Rep. Earl Leroy "Buddy" Carter knowingly and willfully
3 transferred \$9,000 from Friends of Buddy Carter for Senate (the "State Committee") to Buddy
4 Carter for Congress and Paul Kilgore in his official capacity as treasurer (the "Federal
5 Committee") through a reciprocal contribution scheme involving a vendor LLC and the other
6 Respondent state and federal candidates and their committees. The Complaint also alleges that
7 these contributions by the State Committee and \$27,392.82 in other committee expenditures
8 were impermissible soft money expenditures because they were made after Carter became a
9 federal candidate, and that the committee accepted corporate contributions.

10 Based on the available information, we recommend the Commission find no reason to
11 believe that Carter and the State Committee improperly transferred funds to the Federal
12 Committee through a reciprocal scheme with the other Respondents. As to the allegations
13 regarding soft money expenditures by Carter and the State Committee, we recommend that the
14 Commission exercise its prosecutorial discretion and dismiss the allegations.

15 **II. FACTS**

16 On May 6, 2013, then-sitting Georgia State Senator Earl Leroy ("Buddy") Carter
17 announced his candidacy for the U.S. House of Representatives in Georgia's 1st Congressional
18 District.¹ Carter designated the Federal Committee as his principal campaign committee for the
19 congressional election.² Carter secured the Republican nomination on July 22, 2014, and his

¹ See Buddy Carter for Congress Press Release, *Sen. Buddy Carter to Announce Campaign for Congress* (May 6, 2013), available at <http://www.buddycarterforcongress.com/campaign-for-congress>. Carter had previously filed his Statement of Candidacy on April 24, 2014. Carter did not simultaneously run for re-election to the Georgia State Senate.

² FEC Form 1 (Statement of Organization) (Apr. 24, 2013); FEC Form 2 (Statement of Candidacy) (Apr. 24, 2013).

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1 seat in the state senate was declared vacant as required by Georgia state law.³ Carter won the
2 general election and was sworn into the 114th Congress on January 3, 2015.⁴

3 The State Committee was established in 2009 as the principal campaign committee for
4 Carter's candidacy for the Georgia State Senate. The State Committee remained active while
5 Carter completed his state senate term and campaigned for the Congressional seat. Georgia law
6 requires elected officials whose campaign committees have excess funds when they leave office
7 to maintain their committees and continue to file disclosure reports while they expend the
8 remaining funds.⁵ As of October 1, 2017, the State Committee was still active.⁶

9 Georgia law permits individuals, corporations, political committees, and political parties
10 to contribute up to \$2,500 to General Assembly candidates.⁷ A review of the State Committee's
11 financial disclosure reports indicates that it accepted contributions from individuals, state and

³ See <https://admin.enr.clarityelections.com/files/GA/52176/137603/en/summary.html?pv=true>. Article II, Section 2, Paragraph V of the Georgia Constitution states that "[t]he office of any state, county, or municipal elected official shall be declared vacant upon such elected official qualifying, in a general primary or general election, or special primary or special election, for another state, county, or municipal elective office or qualifying for the House of Representatives or the Senate of the United States if the term of the office for which such official is qualifying for begins more than 30 days prior to the expiration of such official's present term of office."

⁴ See Federal Election Commission, *Election Results for the U.S. Senate and U.S. House of Representatives* 59 (Nov 2015), available at <https://transition.fec.gov/pubrec/fe2014/federaelections2014.pdf>.

⁵ GA. CODE ANN. § 21-5-34(i)(1) (2010).

⁶ The most recent disclosure report shows that the State Committee had \$1,120.49 remaining cash on hand as of June 30, 2017. Friends of Buddy Carter for Senate, 2017 June 30th Non-Election Year Report, available at http://media.ethics.ga.gov/search/campaign/Campaign_ReportOptions.aspx?NameID=818&FilerID=C2009000001&CDRID=127314.

⁷ GA. CODE ANN. § 21-5-41 (b) & (k) (2010).

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1 federal political committees, and corporations.⁸ The State Committee's financial disclosure
2 reports also show that the committee spent \$55,537.41 after Carter became a federal candidate,
3 including \$22,400 in contributions to state and federal candidates and \$33,137.41 in other
4 disbursements.⁹ The \$33,137.41 in other disbursements included payment of staff salaries and
5 administrative expenses;¹⁰ production of newsletters; advertising and sponsorship fees; postage,
6 post office box rental, and printing fees; consulting services by Simons & Associates;¹¹ dues,
7 subscriptions, and registration fees; and a disbursement for campaign materials.

8 III. LEGAL ANALYSIS

9 A. There is No Reason to Believe Respondents Illegally Transferred Funds to the 10 Federal Committee Through Reciprocal Contributions

11 The Complaint alleges that after Carter became a federal candidate, the State Committee
12 made payments to a campaign consultant and campaign contributions to six state candidates and
13 one federal candidate as part of a reciprocal contribution scheme intended to impermissibly

⁸ See Georgia Government Transparency and Campaign Finance Commission, http://media.ethics.ga.gov/search/campaign/Campaign_Name.aspx?NameID=818&FilerID=C2009000001&Type=candidate (last visited Sept. 28, 2017). State records indicate that the State Committee accepted \$3,750 in corporate contributions after Carter became a federal candidate. The Commission previously dismissed allegations that Carter and the State Committee had improperly accepted these contributions. See Factual and Legal Analysis at 10-15, MUR 6820 (Carter, et al.). The Commission dismissed the allegations after determining that neither Carter nor the State Committee had solicited the contributions, the corporate donors had a history of giving to Carter's state campaigns, and the possible amount in violation was *de minimis*. *Id.*

⁹ See Georgia Government Transparency and Campaign Finance Commission, http://media.ethics.ga.gov/search/campaign/Campaign_Name.aspx?NameID=818&FilerID=C2009000001&Type=candidate (last visited Sept. 28, 2017).

¹⁰ The Commission previously considered and dismissed allegations that the State Committee's expenditures for staff salaries were impermissible transfers to the Federal Committee. See Factual and Legal Analysis at 3-6, MUR 6820 (Carter, et al.). State Committee staffing expenditures appear to have ceased when Carter was sworn into Congress. See State Committee's 2016 December 31st Election Year Report.

¹¹ The Commission previously considered and dismissed allegations that the State Committee's expenditures for consulting services by Simons & Associates were impermissible transfers to the Federal Committee. See Factual and Legal Analysis at 7-10, MUR 6820 (Carter, et al.).

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1 transfer funds from the State Committee to the Federal Committee.¹² As evidence of the
2 scheme, the Complaint argues that \$9,000 in contributions or payments by the State Committee
3 to various other candidates were similar in timing and amount to contributions those same
4 candidates or their campaign committees made to the Federal Committee.¹³ The complaint also
5 points to a July 4, 2016 State Committee disclosure report showing a \$1,000 expenditure for a
6 "campaign contribution" to Carter's Federal Committee which was amended 11 days later to
7 reflect a \$1,000 contribution to Friends of Bruce Broadrick.¹⁴ The Complaint argues that the
8 State Committee amended the filing because it had "inadvertently revealed its scheme" in the
9 original report.¹⁵

10 Carter and the other Respondents deny making reciprocal contributions.¹⁶ They
11 categorize the Complaint as speculative, arguing that the Complaint provides no evidence to
12 support the allegation of a knowing and willful straw donor scheme beyond the timing and
13 amounts of the transactions.¹⁷ They state that the contributions from the State Committee did not
14 contain any designations or instructions, were not accompanied by any documentation indicating
15 how the contributions should be used, and that the State Committee did not make any other
16 express or implied, or written or oral instructions or designations to the Committee when making

¹² Compl. at 2-4.

¹³ *Id.* at 2-4.

¹⁴ *Id.* at 4.

¹⁵ *Id.*

¹⁶ The alleged reciprocal contributions and the Respondents' Responses are summarized in Attachment 1.

¹⁷ Carter Resp. at 1-2, 4; Millar Resp. (May 25, 2017); Loudermilk Resp. at 1, 3 (Jul. 19, 2017); Black Resp. at 1-3 (Jul. 7, 2017); Mullis Resp. at 2-3 (Jul. 7, 2017); Florence Resp. at 1-2 (Jul. 18, 2017); Simons Resp. at 2 (Jun. 16, 2017). The Commission received no responses from Bruce Lambert Broadrick, Sr., Friends of Bruce Broadrick for the House, James Ronald Stephens, or the Committee to Re-Elect Ron Stephens.

1 its contributions.¹⁸ Mullis, Florence, and Black also argue that their state committees, which
2 received contributions from Carter's State Committee, did not contribute to the Federal
3 Committee. Rather, they made individual contributions to the Federal Committee using their
4 personal funds.¹⁹ Similarly, Loudermilk argued that it was his federal committee, which
5 received no contributions from Carter's State Committee, that contributed to Carter's Federal
6 Committee.²⁰ Simons and Associates, LLC, and Simons both deny the allegations, stating that
7 the money the State Committee paid the LLC was for professional services provided to the State
8 Committee, and that Mr. Simons donated to the Federal Committee from his personal funds
9 because he supported Carter's campaign promises.²¹ Respondents also argue that the
10 Commission has previously rejected similar allegations where complaints rested solely on the
11 timing and amounts of contributions.²²

12 The Act places certain amount limitations and source prohibitions on contributions to
13 federal candidates and their committees; to prevent circumvention of these limitations and
14 prohibitions, Commission regulations prohibit federal candidates from transferring funds from

¹⁸ Loudermilk Resp. at 2; Florence Resp. at 2; Black Resp. at 3.

¹⁹ Mullis Resp. at 2; Florence Resp. at 1-2; Black Resp. at 1-2.

²⁰ The Federal Committee reported receipt of a \$1,000 contribution from Loudermilk for State Senate on June 28, 2013. Federal Committee's Amended 2013 July Quarterly Report at 61 (filed Sep. 4, 2013). Loudermilk for Congress reported receipt of a \$1,000 contribution from Friends of Buddy Carter on June 27, 2013. Loudermilk for Congress 2013 July Quarterly Report at 48 (filed July 15, 2013).

²¹ Simons Resp. at 1. In a previous matter, the Commission noted that the State Committee's disclosure reports supported the Committee's assertion that they had a "long-standing agreement" active since at least January 1, 2012, to pay Simons & Associates a quarterly retainer of between \$500-2000 for services provided to Carter by the firm. Factual & Legal Analysis at 8, MUR 6820 (Carter *et al.*).

²² See Loudermilk Response 2; Black Response at 3; Florence Response at 2 (citing MURs 5732 (Matt Brown for U.S. Senate), 5520 (Republican Party of Louisiana/Tauzin), 5445 (Davis), 4643 (Perry), and 5125 (Perry) as examples of where the Commission failed to find reason to believe that contributions were earmarked absent any evidence of express or implied designations, instructions, or other encumbrances by the donors).

1 their state campaign committees to their federal committees.²³ The prohibition on transferring
2 funds applies broadly and includes payment by the state committee for services to the federal
3 committee.²⁴ The Act also prohibits making a contribution in the name of another, knowingly
4 permitting one's name to be used to effect such a contribution, and knowingly accepting a
5 contribution made in the name of another.²⁵

6 The Commission has previously considered alleged arrangements to transfer a state
7 committee's funds into a federal committee's account through intermediaries (such as through
8 alleged earmarking, "reciprocal contribution," or other schemes in which contributions are made
9 in the name of another), finding reason to believe a violation has occurred when similarities in
10 contribution amounts and timing were supported by additional information;²⁶ the Commission
11 has dismissed such allegations where the complaints provided no information beyond alleged
12 similarities in contribution amounts and timing, and where credible information suggested that
13 the similar contributions were not earmarked or part of a conduit or reciprocal contribution

²³ 52 U.S.C. §§ 30116(a), 30118(a); 11 C.F.R. § 110.3(d); *see also* Transfers of Funds from State to Federal Campaigns, 57 Fed. Reg. 36,344, 36,345 (Aug. 12, 1992) ("Transfers E&J") (explaining the transfer prohibition as intended to prevent "indirect" use of impermissible funds).

²⁴ *See* Transfers E&J, 57 Fed. Reg. at 36,345; *see e.g.*, MUR 6267 (Paton For Senate) (finding that Paton's federal committee received prohibited transfer of funds when Paton's state senate committee paid for polling and a survey benefiting his federal campaign); MUR 5646 (Cohen for New Hampshire) (finding that Cohen's federal committee received prohibited transfer of funds when Cohen's state committee paid for start-up expenses related to his U.S. Senate campaign); MUR 5426 (Dale Schultz for Congress) (finding that Schultz's federal committee received prohibited transfer of funds when the Schultz state committee paid for expenses that the candidate incurred in connection with his federal election).

²⁵ 52 U.S.C. § 30122; *see also* 11 C.F.R. § 110.4(b).

²⁶ *See* Factual & Legal Analysis at 3-4, MUR 5278 (Gingrey) (the Commission found reason to believe and entered into conciliation after Gingrey admitted in a state proceeding to having arranged four "reciprocal contributions" for the purpose of funneling state funds into his federal account.); *see also* Advisory Op. 1996-33 (Colantuano) (concluding that understanding between state and federal candidate to exchange contributions would result in impermissible transfer).

1 federal or non-federal election, and were therefore not required to be made using federally
2 permissible funds.³³

3 The Act prohibits federal candidates, federal officeholders, their agents, and entities
4 established, financed, maintained, or controlled (“EFMC’d”) by federal candidates or
5 officeholders from soliciting, receiving, directing, transferring, spending, or disbursing funds in
6 connection with any non-federal election unless the funds are from sources consistent with state
7 law and are in amounts and from sources permitted by the Act.³⁴ Carter, a federal candidate as
8 of May 6, 2013, and subsequently, a federal officeholder, EFMC’d the State Committee, which
9 donated to state and local candidates and made other expenditures.³⁵ Thus, any funds the State
10 Committee transferred, spent, or disbursed in connection with any election after May 6, 2013,
11 were required to comply with the restrictions of section 30125(e).

12 Notwithstanding the prohibitions of 30125(e), the Commission has allowed federal
13 candidates who are state officeholders to donate federally permissible funds in a state account to
14 other state and local political committees if the state committee uses a “reasonable accounting
15 method” to separate permissible from impermissible funds (*i.e.*, those raised consistent with state

³³ *Id.* at 5. The Commission previously dismissed similar allegations regarding the disbursements for payments to Simons & Associates, LLC, and expenditures for the salaries of two State Committee staffers. Factual and Legal Analysis at 2-7, MUR 6820 (Carter, *et al.*). The dismissal was based on the State Committee’s assertion that Simons & Associates and the two staffers were paid for work related to Carter’s official duties as a sitting state senator and the lack of specific information to the contrary in the complaint. *Id.*

³⁴ 52 U.S.C. § 30125(e)(1); 11 C.F.R. § 300.62. The Act provides an exception allowing a simultaneous federal and state candidate to spend non-federal funds “solely in connection with such election for State or local office,” which allows a simultaneous state and federal candidate to spend otherwise impermissible funds in connection with his or her own state election. *See* 52 U.S.C. § 30125(e)(2); 11 C.F.R. § 300.63; Advisory Op. 2005-02 (Corzine) at 2, 4; Advisory Op. 2003-32 (Tenenbaum) at 5. Carter, however, was not a simultaneous state and federal candidate, and could not take advantage of this state candidate exception.

³⁵ *See* Advisory Op. 2009-26 (Coulson) at 5 (“AO 2009-26”) (explaining that federal candidate’s state committee is EFMC’d by federal candidate, that such a committee is subject to soft money rules, and that disbursements in connection with legislative action, but not state elections, are not limited); Advisory Op. 2007-01 (McCaskill) at 3 (examining application of soft money rules to retirement of state committee debt); Factual & Legal Analysis at 9, MUR 6601 (Oelrich) (applying soft money rules to state officeholder federal election activity PASO communications).

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1 law but outside the Act's contribution limits and source restrictions), and makes the contributions
2 with permissible funds.³⁶ Moreover, the restrictions of section 30125(e) only apply to activity
3 that was in connection with any election. Georgia law permits campaign funds to be used to
4 defray costs associated with state assembly members' official duties.³⁷ Such state officeholder
5 expenses and administrative costs of maintaining a state committee would not fall under the
6 section 30125(e) restrictions if they are unrelated to any election.³⁸ Thus, if the State Committee
7 used a reasonable accounting method to identify federally permissible funds, it would be
8 permissible for the State Committee to use those funds for non-federal campaign contributions
9 made after Carter became a federal candidate. The State Committee could also use non-federal
10 funds in its account for the disbursements related to Carter's official duties as a sitting state
11 Senator, since those disbursements are not related to any election.³⁹

12 The State Committee's disclosure reports reveal that after Carter became a federal
13 candidate, the State Committee spent \$22,400 on contributions to state and federal⁴⁰ candidates

³⁶ Advisory Op. 2007-26 (Schock) at 3-5; Advisory Op. 2006-38 (Casey) at 4.

³⁷ GA. CODE ANN. § 21-5-33.

³⁸ See Advisory Op. 2003-20 (Reyes) (explaining that "[i]f the funds are not raised or spent in connection with an election, then the funds do not fall within the scope of" section 30125); AO 2009-26; Advisory Op. 2004-14 (Davis); see also Advisory Op. 2016-25 (Mike Pence for Indiana) (stating that campaigns "may use non-federal funds in its state campaign account to pay for the storage of state campaign assets, legal or accounting expenses necessary to comply with state disclosure requirements applicable to state committees, and legal or accounting expenses for winding down the state campaign, provided that such spending is consistent with state law").

³⁹ See AO 2009-26 at 5 (concluding that soft money rules do not restrict state committee's disbursements for state legislative activity).

⁴⁰ The single \$1,000 contribution to Loudermilk for Congress is the lone contribution to a federal campaign.

1 and \$33,137.41 on other disbursements.⁴¹ The reports also reveal that a significant portion of the
2 State Committee's cash on hand when Carter became a federal candidate was from corporate
3 contributions;⁴² the State Committee may have had federally permissible funds available to
4 make \$22,400 in campaign contributions, but not both those contributions and \$33,137.41 in
5 other disbursements.⁴³ Thus some portion of the disbursements made after Carter became a
6 federal candidate and officeholder were from funds that did not comply with the Act's source
7 prohibitions.⁴⁴

8 Regarding the \$33,137.41 in other disbursements, the Complaint characterizes them as
9 being used for "advertising" and "sponsoring political meetings," but provides no further
10 information indicating that this spending was done in connection to any federal or non-federal
11 election. Carter and the State Committee deny the allegations and state that the disbursements
12 were all related to Carter's official duties as a state officeholder and therefore were not made in
13 connection with a federal or non-federal election. With the exception of the \$250 disbursement

⁴¹ See State Committee's disclosure reports for June 30, 2013, through December 31, 2016 (reporting 80 itemized expenditures between June 5, 2014, and October 31, 2016, totaling \$55,537.41). The State Committee's disclosure reports revealed that the State Committee continued to make campaign contributions through October 31, 2016. State Committee's 2016 December 31st – Election Year Report. When Carter became a federal candidate, the State Committee had at least \$51,944.16 cash on hand. State Committee's 2013 June 30th – Election Year Report. Roughly 42% of the State Committee's available funds as of May 6, 2013, were spent on political contributions to non-federal candidates.

⁴² See, e.g., State Committee's disclosure reports for June 30, 2013, through June 30, 2014, showing that the State Committee received \$79,600.13 in total contributions. Of that, \$22,900 were facially permissible contributions from individuals and Federal PACs, and \$30,800 were corporate contributions. An additional \$25,900.13 were from state PACs, LLCs, PCs, and LLPs — funds which are potentially permissible under the Act depending on how the donors are organized and the funds they used to make the contributions. Thus, at least 39% of the State Committee's available funds during the time period addressed in the Complaint consisted of demonstrably impermissible federal funds ($\$30,800 \div \$79,600.13 = 0.3869 \times 100 = 39\%$).

⁴³ *Id.*

⁴⁴ Georgia law permits individuals, corporations, political committee and political parties to contribute up to \$2,500 to primary candidates for the General Assembly. See Georgia Government Transparency and Campaign Finance Act (effective Jan. 1, 2014), Article 2 § 21-5-35(a). The State Committee's disclosure reports did not reflect any facially excessive contributions during the period at issue in this matter. See State Committee's disclosure reports for June 30, 2013, through June 30, 2014.

1 made on September 7, 2016, for "campaign material," none of the State Committee's
2 disbursements made after Carter became a federal candidate appear on their face to be clearly
3 related to an election.⁴⁵ In light of the specific denial by Respondents and the lack of
4 information indicating that these disbursements were made in connection with any election, there
5 is insufficient information to conclude that these were disbursements in connection with a federal
6 or non-federal election that were required to be made using federally permissible funds.

7 With regard to the \$22,400 in non-federal campaign contributions the State Committee's
8 disclosure reports indicate that it had at least \$22,900 in federally permissible funds on hand
9 when Carter became a federal candidate, which would have been sufficient to cover the \$22,400
10 in campaign contributions.⁴⁶ Therefore, although it is unclear whether the State Committee used
11 a reasonable accounting method to identify federally permissible funds, in light of the
12 information indicating that the State Committee's accounts appeared to contain sufficient
13 federally permissible funds, we do not think it would be an appropriate use of the Commission's
14 limited resources to further investigate the State Committee's accounting. Accordingly, we
15 recommend that the Commission exercise its prosecutorial discretion and dismiss the allegations
16 that Carter and the State Committee violated 52 U.S.C. § 30125(e) by spending soft money after
17 Carter became a federal candidate.⁴⁷

⁴⁵ The \$250 disbursement for "campaign materials" was paid to Jeanne Seaver, described in the report as a self-employed consultant. *See* State Committee's 2016 December 31st – Election Year Report. Neither the State Committee's disclosure reports nor the Federal Committee's reports show any other payments to Jeanne Seaver. While a disbursement for "campaign materials" indicates that this is likely spending in connection with an election, we do not have sufficient information to conclude that this was tied to Carter's 2014 Congressional campaign and therefore an impermissible transfer from the State Committee to the Federal Campaign. In any case, this potential \$250 violation is *de minimis*.

⁴⁶ *See supra*, note 42.

⁴⁷ *See Heckler v. Chaney*, 470 U.S. 821 (1985).

1 **IV. RECOMMENDATIONS**

- 2 1. Find no reason to believe that Earl Leroy "Buddy" Carter, Buddy Carter for
3 Congress and Paul Kilgore as treasurer, and Friends of Buddy Carter for Senate
4 violated 52 U.S.C. § 30122, 11 C.F.R. § 110.4(b), or 11 C.F.R. § 110.3(d);
- 5 2. Find no reason to believe that Millar for Senate, Loudermilk for Congress and
6 Charles Nida as treasurer, Loudermilk for State Senate, James Ronald Stephens,
7 Committee to Re-Elect Ron Stephens, Jeff E. Mullis, Comm. to Elect Jeff Mullis
8 Ga St. Sen., Neal Florence, Friends of Neal Florence, David Simons, Simons and
9 Associates, LLC, C. Ellis Black, Ellis Black for State Senate, Inc., Bruce Lambert
10 Broadrick, Sr., and Friends of Bruce Broadrick for the House violated 52 U.S.C.
11 § 30122 or 11 C.F.R. § 110.4(b);
- 12 3. Dismiss the allegations that Earl Leroy "Buddy" Carter and Friends of Buddy
13 Carter for Senate violated 52 U.S.C. § 30125(e)(1) and 11 C.F.R. § 300.62;
- 14 4. Approve the attached Factual and Legal Analysis;
- 15 5. Approve the appropriate letters; and
- 16 6. Close the file.

17 Lisa J. Stevenson
18 Acting General Counsel

19
20
21 10/23/17
22 Date

Kathleen M. Guith

23 Kathleen M. Guith
24 Associate General Counsel for Enforcement

Lynn Y. Tran

25 Lynn Y. Tran
26 Assistant General Counsel

Ray L. Wolcott

27 Ray L. Wolcott
28 Attorney

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36 Attachments
37 Alleged Reciprocal Contributions and Responses
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Alleged Reciprocal Contributions and Responses

Respondent group	Committee or Individual	Amount received from State Committee	Date	Amount Contributed to Federal Committee	Date	Response
Millar	Millar for Senate	\$1,000	4/5/2014	\$1,000	5/23/2013	Denies the allegations. States that she donated to the Federal Committee a few weeks after Carter announced his candidacy "knowing that he had competition." Opines that the timing of Carter's contribution to her state committee nearly a year later corresponded with her annual fundraising letters which go out in March.
		\$1,000	9/21/2015	\$1,000	9/30/2015	
Loudermilk	Loudermilk for Congress	\$1,000 ⁴⁸	6/27/2013			Denies the allegations. States that there were no express or implied instructions or designations associated with the contributions from the State Committee and argues that complaint is speculative.
	Loudermilk for State Senate			\$1,000 ⁴⁹	6/28/2013	
Mullis	Comm. to Elect Jeff Mullis	\$1,000	4/9/2014			Denies the allegations. States that contributions to the Federal Committee were from Mullis's personal funds, were properly disclosed in accordance with FEC requirements, and were not tied to the State Committee's contributions to Mullis's state committee. Argues that the Complaint is speculative.
	Individual			\$500 \$500	6/10/2013 4/22/2014	
Florence	Friends of Neal Florence	\$1,000	1/17/2014			Denies the allegations. States that there were no express or implied instructions or designations associated with the contributions from the State Committee and argues that complaint is speculative.
	Individual			\$500 \$500	8/12/2013 7/11/2014	

⁴⁸ See *supra*, note 20.

⁴⁹ *Id.*

Alleged Reciprocal Contributions and Responses (continued)

Respondent group	Committee or Individual	Amount received from State Committee	Date	Amount Contributed to Federal Committee	Date	Response
Black	Ellis Black for State Senate	\$500	6/23/2014			Denies the allegations. States that there were no express or implied instructions or designations associated with the contributions from the State Committee and argues that complaint is speculative. Argues that it is not uncommon for political colleagues to contribute to each other's campaigns.
	Individual			\$500	6/27/2014	
Stephens	Committee to Re-Elect Ron Stephens	\$1,000	12/3/2014			Did not respond.
	Individual			\$2,600	6/28/2013	
Broadrick	Friends of Bruce Broadrick	\$500 \$1,000	5/20/2016 5/25/2016			Did not respond.
	Individual			\$1,000	7/14/2016	
Simons	Simons & Associates, LLC	\$1,000*	4/10/2014			States that money paid to Simons & Associates by the State Committee was for professional services.
	Individual			\$500 \$500	1/16/2014 3/31/2014	
* Expenditure designated as payment for "consulting services" by Simons & Associates, LLC.						